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(Original Signature of Member)

118TH CONGRESS  
1ST SESSION

# H. R.

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To amend title 38, United States Code, to improve the repayment by the Secretary of Veterans Affairs of benefits misused by a fiduciary.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. CONNOLLY introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To amend title 38, United States Code, to improve the repayment by the Secretary of Veterans Affairs of benefits misused by a fiduciary.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Veteran Fraud Reim-  
5 bursement Act”.

1 **SEC. 2. IMPROVEMENT TO REPAYMENT BY SECRETARY OF**  
2 **VETERANS AFFAIRS OF CERTAIN MISUSED**  
3 **BENEFITS.**

4 Section 6107 of title 38, United States Code, is  
5 amended to read as follows:

6 **“§ 6107. Reissuance of benefits**

7 “(a) REISSUANCE OF MISUSED BENEFITS.—(1) In  
8 any case in which a fiduciary misuses all or part of an  
9 individual’s benefit paid to such fiduciary, the Secretary  
10 shall pay to the beneficiary or the beneficiary’s successor  
11 fiduciary an amount equal to the amount of such benefit  
12 so misused.

13 “(2) In any case in which the Secretary reissues a  
14 benefit payment (in whole or in part) under paragraph (1),  
15 the Secretary shall make a good faith effort to obtain  
16 recoupment from the fiduciary to whom the payment was  
17 originally made.

18 “(3) In any case in which the Secretary obtains  
19 recoupment from a fiduciary who has misused benefits,  
20 the Secretary shall promptly remit payment of the re-  
21 coupled amounts to the beneficiary or the beneficiary’s suc-  
22 cessor fiduciary, as the case may be, to the extent that  
23 such amounts have not been paid under paragraph (1).

24 “(b) LIMITATION ON TOTAL AMOUNT PAID.—The  
25 total of the amounts paid to a beneficiary or the bene-  
26 ficiary’s successor fiduciary under this section may not ex-

1 exceed the total benefit amount misused by the fiduciary  
2 with respect to that beneficiary.

3 “(c) OVERSIGHT OF NEGLIGENCE.—(1) The Sec-  
4 retary shall establish methods and timing with respect to  
5 determining whether an instance of misuse by a fiduciary,  
6 of all or part of an individual’s benefit paid to such fidu-  
7 ciary, is the result of negligence by the Secretary.

8 “(2) The Secretary may not withhold the reissuing  
9 of a benefit payment under subsection (a)(1) by reason  
10 of a pending determination under paragraph (1).

11 “(3) The Secretary is not required to make a deter-  
12 mination under paragraph (1) for each instance of misuse  
13 by a fiduciary, of all or part of an individual’s benefit paid  
14 to such fiduciary.”.